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COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON D.C. 20548

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November 9, 1981

The Honorable James A. McClure  
United States Senator  
Room 149  
Borah Station  
Boise, Idaho 83702

Do not make available to public reading

Dear Senator McClure:

We refer to your October 7, 1981 letter on behalf of Dandelion Enterprises. Your letter refers to the protest filed by that firm and expresses concern over the use of a solicitation clause which permits "all or none" bidding.

On October 20, 1981, we issued the enclosed decision dismissing the protest because it was not filed within the time limitations prescribed by our bid protest procedures. Those procedures are published in 4 C.F.R. part 21 (1981). We, therefore, never reached the merits of Dandelion's complaint.

Nonetheless, we believe it is useful to point out that in normal federal procurements for supplies or services, "all or none" bids are acceptable unless they are specifically prohibited by the solicitation. Hence, even in the absence of the specific provision that Dandelion questions, an "all or none" bid is normally acceptable. Presumably, there are economies of scale, even for small business bidders, which can result from "all or none" bids. Conversely, unless prohibited by the solicitation, bidders run the risk in a multi-item procurement that they may be awarded something less than an economical quantity if they could not bid "all or none" in certain circumstances.

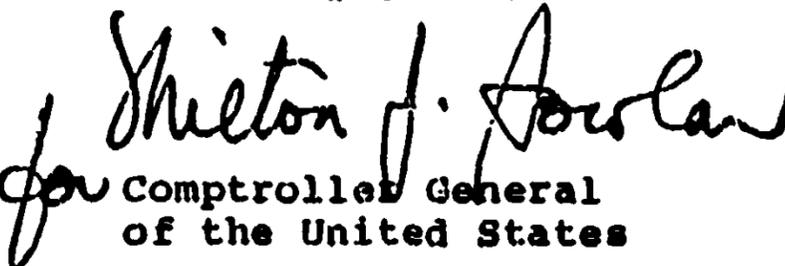
Finally, we have no way to project an intelligent assessment of any increased cost to the Government which may result from an elimination of the opportunity for "all

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or none" bidding for solicitations set aside for small business. In any event, in light of the reasons discussed above, we would not recommend such a procedure.

Sincerely yours,

*for*   
Comptroller General  
of the United States

Enclosure